

MARTIAL TAX PLANNING ANALYSIS

or

"Dealing The Tax Man Out of a Divorce"

SITUATION:

Husband, wife, and two children
Family Income - \$35,000 (all from husband's salary)

	<u>JOINT</u>	<u>CHILD SUPPORT</u>		<u>ALL ALIMONY</u>		<u>COMBINATION-1</u>		<u>COMBINATION-2</u>	
		<u>H</u>	<u>W</u>	<u>H</u>	<u>W</u>	<u>H</u>	<u>W</u>	<u>H</u>	<u>W</u>
INCOME (Hus Salary)	\$35,000	\$35,000	-	\$35,000	-	\$35,000	-	\$35,000	-
ALIMONY	-	-	-	-\$15,000	\$15,000	-\$12,000	\$12,000	-\$10,000	\$10,000
CHILD SUPPORT	-	-\$12,000	\$12,000	-	-	-\$2,400	\$2,400	-\$4,000	\$4,000
TAXES	-\$9,730	-\$12,015	-	-\$6,210	-\$2,185	-\$6,655	-\$1,855	-\$7,520	-\$1,365
NET	\$25,270	\$10,985	\$12,000	\$13,790	\$12,815	\$13,945	\$12,545	\$13,480	\$12,635
COMBINED	\$25,270	\$22,985		\$26,605		\$26,490		\$26,115	

NOTES:

- Taxes include Federal & state income tax and social security tax
- Husband filing single and Wife filing as Head of Household
- Assumes no excess itemized deductions (i.e. zero bracket amount)
- Dependency exemption to Husband except with all alimony situation

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